

Proposed technical amendment:

**SECTION \_\_\_\_.(a)** G.S. 14-309.7 reads as rewritten:  
**"§ 14-309.7. Licensing procedure.**

(a) An exempt organization ~~may~~shall not operate a bingo game at a location without a license. Application for a bingo license shall be made to the State Bureau of Investigation on a form prescribed by the Bureau. The Bureau shall charge an annual application fee of two hundred dollars (\$200.00) to defray the cost of issuing bingo licenses and handling bingo audit reports. The fees collected shall be deposited in the General Fund of the State. ~~This~~The license shall expire one year after ~~the granting of the license. This license issuance and~~ yearly, annually if the applicant pays the application fee and files an audit with the Bureau pursuant to G.S. 14-309.11. A copy of the application and license shall be furnished to the local law-enforcement agency in the county or municipality in which the licensee intends to operate before bingo is conducted by the licensee.

(b) Each application and renewal application shall contain the following information:

- (1) The name and address of the applicant and if the applicant is a corporation, association or other similar legal entity, the name and home address of each of the officers of the organization as well as the name and address of the directors, or other persons similarly situated, of the organization.
- (2) The name and home address of each of the members of the special committee.
- (3) A copy of the application for recognition of exemptions and a determination letter from the Internal Revenue Service and the Department of Revenue that indicates that the organization is an exempt organization and stating the section under which that exemption is ~~granted; except that if granted. If~~ the organization is a State or local branch, lodge, post, or chapter of a national organization, a copy of the determination letter of the national organization satisfies this requirement.
- (4) The location at which the applicant will conduct the bingo games. If the premises are leased, a copy of the lease or rental agreement.

(c) In order for an exempt organization to have a member familiar with the operation of bingo present on the premises at all times when bingo is being played and for this member to be responsible for the receiving, ~~reporting-reporting,~~ and depositing of all revenues received, the exempt organization may pay one member for conducting a bingo game. ~~Such~~The pay shall be on an hourly basis only for the time bingo is actually being played and shall not exceed one and one-half times the existing minimum wage in North Carolina. The member paid under this provision shall be a member in good standing of the exempt organization for at least one year and shall not be the lessor or an employee or agent of the lessor. No other person may be compensated for conducting a bingo game from funds derived from any activities occurring in, or simultaneously with, the playing of bingo, including funds derived from concessions. An exempt organization shall not contract with any person for the purpose of conducting a bingo game.

(c1) Except as provided in subsection (e) of this section, an exempt organization may hold a bingo game only in or on property ~~owned (either legally or equitably and the buildings must be of a permanent nature with approved plumbing for bathrooms and not movable or of a temporary nature such as a tent or lean-to) owned, either legally or equitably, or leased-leased, but not subleased,~~ by the organization from the owner or bona fide property management agent ~~(no~~

~~subleasing is permitted~~) agent. The buildings shall be permanent with approved plumbing for bathrooms and shall not be movable or temporary such as a tent or lean-to. ~~at a total monthly rental in an amount not to exceed one and one-quarter percent (1 1/4%) of the total assessed ad valorem tax value of the portion of the building actually used for the bingo games and the land value on which the building is located (not to exceed two acres) acres).~~ The lease shall be for all activities conducted ~~therein~~ on the leased premises, including the playing of bingo for a period of not less than one ~~year~~ year, and the leased premises shall be ~~actually~~ occupied and used by that organization on a regular basis for purposes other than bingo for at least six months before the ~~game~~ and all first game. All equipment used by the exempt organization in conducting the bingo game ~~must~~ shall be owned by the organization. Unless the exempt organization leases the property in accordance with this subsection, an exempt organization may conduct a bingo game only in or on property that is exempt from property taxes levied under Subchapter II of Chapter 105 of the General Statutes, or that is classified and not subject to any property taxes levied under Subchapter II of Chapter 105 of the General Statutes. It ~~shall be~~ is unlawful for any person to operate beach bingo games at a location ~~which~~ that is being used by any licensed exempt organization for the purpose of conducting bingo games.

(d) Conduct of a bingo game or raffle under this Part on ~~such~~ the property ~~shall~~ does not operate to defeat an exemption or classification under Subchapter II of Chapter 105 of the General Statutes.

(e) An exempt organization that wants to conduct only an annual or semiannual bingo game may apply to the State Bureau of Investigation for a limited occasion ~~permit~~. ~~The State Bureau of Investigation may require such information as is reasonable and permit and shall provide to the Bureau any information necessary to determine that the bingo game is conducted in accordance with the provisions of this Part but Part. The Bureau may shall not require more information than previously specified in this section for application of a regular license for a limited occasion permit than it requires for a license under this section.~~ The application shall be made to the Bureau on prescribed forms at least 30 days prior to the scheduled date of the bingo game. In lieu of the reporting requirements of ~~G.S. 14-309.11(b)~~ G.S. 14-309.11(b), the exempt organization shall file with the licensing agency and local law-enforcement a report on prescribed forms no later than 30 days following the ~~conduct of the~~ bingo game for which the permit was obtained. ~~Such~~ The report may require ~~such~~ any information ~~as is reasonable and necessary to determine that the bingo game was conducted in accordance with the provisions of this Part but Part. The report may shall not require more information than specified in G.S. 14-309.11(b).~~ Any licensed exempt organization may donate or loan its equipment or use of its premises to an exempt organization ~~which~~ that has secured a limited occasion permit ~~provided such as long as the arrangement is disclosed in the limited occasion permit application and is approved by the State Bureau of Investigation Bureau. Except as stated above, provided in this subsection, all provisions of this Part shall apply to any an exempt organization operating a bingo game under this provision subsection.~~ [(1983, c. 896, s. 3; c. 923, s. 217; 1983 (Reg. Sess., 1984), c. 1107, ss. 2, 4, 6; 1987, c. 866, ss. 1, 2; 1987 (Reg. Sess., 1988), c. 1001, s. 1; 1997-443, s. 11A.118(a); 2002-159, ss. 3(a), 3(b); 2009-451, s. 17.6; 2011-145, s. 19.1(g); 2016-27, s. 3.; 2017-102, s. 5.1(a).)]

Explanation: S.L. 2016-27, s. 3, directed the Revisor of Statutes "to replace any reference to the "Department of Public Safety" with the "State Bureau of Investigation" wherever it appears in

Part 2 of Article 37 of Chapter 14 of the General Statutes." The Revisor of Statutes, however, did not have the authority to change the text when it read only "the Department". G.S. 14-309.7 was the only provision in Part 2 that referred to the Department of Public Safety as "the Department". One of the technical corrections recommended by the General Statutes Commission that was enacted in last year's bill replaced those references. *See* S.L. 2017-102, s. 5.1(a). However, it came to staff's attention that much of the language in G.S. 14-309.7 needs to be cleaned up. This proposed technical amendment would clean up the language.

Excerpt from S.L. 2016-27:

**SESSION LAW 2016-27**  
**HOUSE BILL 292**

AN ACT TO REQUIRE A LICENSE TO OPERATE A BEACH BINGO GAME, TO  
AUTHORIZE THE STATE BUREAU OF INVESTIGATION TO CHARGE AND  
COLLECT THAT LICENSING FEE, AND TO MAKE IT A CRIMINAL OFFENSE TO  
VIOLATE THE BEACH BINGO LICENSING REQUIREMENTS.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 14-309.14 is amended by adding the following new subdivision:

"(5) A person shall not operate a beach bingo game at any location without first obtaining a license as provided by this subdivision. Any person operating a beach bingo game without a license is guilty of a Class 2 misdemeanor. The procedure for obtaining an application for a beach bingo license shall be as follows:

- a. The application for a beach bingo license shall be made to the State Bureau of Investigation on a form prescribed by the Bureau. The Bureau shall charge an initial application fee of three hundred dollars (\$300.00) and an annual renewal fee of three hundred dollars (\$300.00) to defray the cost of issuing beach bingo licenses and handling enforcement. The fees collected shall be deposited in the General Fund of the State. This license shall expire one year after the granting of the license but may be renewed yearly upon payment of the renewal fee.
- b. Each application and renewal application shall contain all of the following information:
  1. The name and address of the applicant and if the applicant is a corporation, association, or other similar legal entity, the name and home address of each of the officers of the organization as well as the name and address of the directors, or other persons similarly situated, of the organization.
  2. The location at which the applicant will conduct the bingo games. If the premises are leased, a copy of the lease or rental agreement.
- c. Any false information provided in an application for a beach bingo license is cause for suspension of that license and is also a Class 2 misdemeanor.
- d. All books, papers, records, and documents relevant to determining whether an individual has acted or is acting in compliance with this section shall be open to inspection by the State Bureau of Investigation at reasonable times and during reasonable hours."

**SECTION 2.** The State Bureau of Investigation may take the necessary actions to develop and implement the application process. Beginning October 1, 2016, the State Bureau of Investigation may accept applications, charge and collect application fees, and issue licenses as provided by G.S. 14-309.14(5), as enacted by this act.

**SECTION 3.** The Revisor of Statutes is directed to replace any reference to the "Department of Public Safety" with the "State Bureau of Investigation" wherever it appears in Part 2 of Article 37 of Chapter 14 of the General Statutes.

**SECTION 4.** G.S. 14-309(5)c., as enacted by Section 1 of this act, becomes effective October 1, 2016, and applies to applications submitted on or after October 1, 2016, and offenses committed on or after that date. The remainder of Section 1 of this act becomes effective December 1, 2016, and applies to offenses committed on or after that date. The remainder of this act is effective when it becomes law.

In the General Assembly read three times and ratified this the 21<sup>st</sup> day of June, 2016.

s/ Daniel J. Forest  
President of the Senate

s/ Tim Moore  
Speaker of the House of Representatives

s/ Pat McCrory  
Governor

Approved 4:03 p.m. this 22<sup>nd</sup> day of June, 2016

Excerpt from S.L. 2017-102:

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017  
SESSION LAW 2017-102  
HOUSE BILL 229**

AN ACT TO MAKE TECHNICAL CORRECTIONS TO THE GENERAL STATUTES, AS  
RECOMMENDED BY THE GENERAL STATUTES COMMISSION, AND TO MAKE  
OTHER TECHNICAL, CONFORMING, AND CLARIFYING CHANGES.

The General Assembly of North Carolina enacts:

**PART I. TECHNICAL CORRECTIONS RECOMMENDED BY THE GENERAL  
STATUTES COMMISSION**

...

**SECTION 5.1.(a)** G.S. 14-309.7 reads as rewritten:

**"§ 14-309.7. Licensing procedure.**

(a) An exempt organization may not operate a bingo game at a location without a license. Application for a bingo license shall be made to the State Bureau of Investigation on a form

prescribed by the ~~Department [Bureau]~~ Bureau. The ~~Department [Bureau]~~ Bureau shall charge an annual application fee of two hundred dollars (\$200.00) to defray the cost of issuing bingo licenses and handling bingo audit reports. The fees collected shall be deposited in the General Fund of the State. This license shall expire one year after the granting of the license. This license may be renewed yearly, if the applicant pays the application fee and files an audit with the ~~Department [Bureau]~~ Bureau pursuant to G.S. 14-309.11. A copy of the application and license shall be furnished to the local law-enforcement agency in the county or municipality in which the licensee intends to operate before bingo is conducted by the licensee.

...

(e) An exempt organization that wants to conduct only an annual or semiannual bingo game may apply to the State Bureau of Investigation for a limited occasion permit. The State Bureau of Investigation may require such information as is reasonable and necessary to determine that the bingo game is conducted in accordance with the provisions of this Part but may not require more information than previously specified in this section for application of a regular license. The application shall be made to the ~~Department [Bureau]~~ Bureau on prescribed forms at least 30 days prior to the scheduled date of the bingo game. In lieu of the reporting requirements of G.S. 14-309.11(b) the exempt organization shall file with the licensing agency and local law-enforcement a report on prescribed forms no later than 30 days following the conduct of the bingo game for which the permit was obtained. Such report may require such information as is reasonable and necessary to determine that the bingo game was conducted in accordance with the provisions of this Part but may not require more information than specified in G.S. 14-309.11(b). Any licensed exempt organization may donate or loan its equipment or use of its premises to an exempt organization which has secured a limited occasion permit provided such arrangement is disclosed in the limited occasion permit application and is approved by the State Bureau of Investigation. Except as stated above, all provisions of this Part shall apply to any exempt organization operating a bingo game under this provision."

...

**SECTION 49.** Section 5 of this act becomes effective December 1, 2015. Except as otherwise provided in this act, this act is effective when it becomes law.

In the General Assembly read three times and ratified this the 28<sup>th</sup> day of June, 2017.

s/ Daniel J. Forest  
President of the Senate

s/ Tim Moore  
Speaker of the House of Representatives

s/ Roy Cooper  
Governor

Approved 1:52 p.m. this 12<sup>th</sup> day of July, 2017